



The State Bar of California

Task Force on Access Through Innovation of Legal Services

To: ATILS Task Force
From: Jean Clauson
Date: October 7, 2019
Re: B.5. Recommendation 2.6: The regulatory process contemplated by Recommendation 2.2 should be funded by application and renewal fees. The fee structure may be scaled based on multiple factors.

Recommendation 2.6 has received a total of approx. 67 comments, 40 in opposition, 24 in support, and 3 with no stated position.

Recommendation 2.6 (Regulatory Process Funded by Application/Renewal Fees)[ABS/MDP]	
Recurring Point	Possible Response
If the state bar is to allow non-attorneys to practice law, and then spend the time/effort/money to regulate those parties, then those parties should fund the cost of their efforts, not practicing attorneys.	This recommendation would require regulated entities to pay a registration or certification fee to fund the regulatory agency tasked with oversight, including the concept of fee scaling. There is precedent for this approach in the State Bar's regulation of registered law corporations and limited liability partnerships.
I completely support the changes to the ethics rule on the lawyers for more consultants to have access to work on legal cases where high costs of a lawyer are can be saved. [NOTE: this comment is in support.]	In general, the Task Force's recommendations are based on the premise that innovative delivery systems can create efficiencies and lower the cost of legal services.
This would water down actual legal services. The process of obtaining a juris doctor eliminates people unfit to be lawyers, and now this would simply allow unfit persons to service the public and cheapen the value of real lawyers.	Proactive risk-based regulation of the competence of nonlawyer providers that relies on auditing and monitoring rather than complaint-driven enforcement may help mitigate or prevent client harm. Regarding possible UPL reforms that would permit individual nonlawyers to render limited, specified legal services, imposing robust eligibility requirements also can address competence issues. In Washington State, for example, among the eligibility requirements to be a LLLT are: 45 hours of paralegal studies; 15 hours of family-law-specific course work from a law school, ABA approved paralegal program, or LLLT Board; and 3,000 hours of law-related work experienced supervised by an attorney.

Recommendation 2.6 (Regulatory Process Funded by Application/Renewal Fees)[ABS/MDP]	
Recurring Point	Possible Response
It makes sense for those wishing to qualify as regulated entities to pay some kind of fee. I strongly support fee scaling to make the application available to non-profits & individuals who may have a more limited income than many practicing lawyers. [NOTE: this comment is in support.]	The Task Force agrees that regulated nonlawyer entities and individuals should pay a registration or certification fee to fund the regulatory agency tasked with oversight, including the concept of fee scaling. There is precedent for fee scaling in the annual fees paid to the State Bar to be a licensed attorney.